

# FISCAL NOTE

**Bill #:** HB0325

**Title:** Raise maximum coverage on state hail insurance

**Primary Sponsor:** Witt, J

**Status:** As Introduced

Sponsor signature	Date	Chuck Swysgood, Budget Director	Date
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## Fiscal Summary

	<b>FY 2004 Difference</b>	<b>FY 2005 Difference</b>
<b>Expenditures:</b>	\$0	\$0
<b>Revenue:</b>	\$0	\$0
<b>Net Impact on General Fund Balance:</b>	\$0	\$0

- |   |  |
|---|--|
| <input type="checkbox"/> Significant Local Gov. Impact    | <input type="checkbox"/> Technical Concerns            |
| <input type="checkbox"/> Included in the Executive Budget | <input type="checkbox"/> Significant Long-Term Impacts |
| <input type="checkbox"/> Dedicated Revenue Form Attached  | <input type="checkbox"/> Needs to be included in HB 2  |

## Fiscal Analysis

### ASSUMPTIONS:

1. The Board of Hail Insurance is allocated to the Department of Agriculture for administrative purposes in 2-15-121, MCA.
2. The bill allows the Board of Hail Insurance to increase state hail insurance coverage available to growers of Montana crops.
3. According to 80-2-208, MCA, as proposed to be amended, when the reserve fund is determined actuarially sound as provided in 80-2-228, MCA, the Board of Hail Insurance may not write more than \$40 per acre of non-irrigated cropland and not more than \$56 per acre of irrigated cropland.
4. The premium rate, which is based on historical data and set by the Board of Hail Insurance at the county level will not change as a result of this bill. Insurers will pay additional premium in direct relationship to increased hail insurance coverage.
5. The insurer may elect to have hail crop insurance coverage lower than the maximum specified in section 80-2-208, MCA.
6. There will be no fiscal impact to the state. Changes in the proprietary account are unknown.